

**REGULAR MEETING OF THE COMMON COUNCIL
OF THE CITY OF PLATTSBURGH, NEW YORK**

September 30, 2010

5:30 P.M.

MINUTES

Present: Mayor Donald Kasprzak, Councilors Tim Carpenter (W1), Michael Kelly (W2), George Rabideau (W3), Jim Calnon (W4), Amy Valentine (W5), Chris Jackson (W6)

Absent: None

1. MINUTES OF THE PREVIOUS MEETING:

RESOLVED: that the Minutes of the regular meeting of the Common Council held on September 23, 2010 are approved and placed on file among the public records of the City Clerk's Office.

By Councilor Valentine; Seconded by Councilor Carpenter
Roll call: Councilors Carpenter, Kelly, Rabideau, Calnon, Valentine, Jackson
(All voted in the affirmative)

2. PAYROLLS OF VARIOUS DEPARTMENTS:

RESOLVED: That the payrolls of the various Departments of the City of Plattsburgh for the week ending September 29, 2010 in the amount of \$ 266,347.01 are authorized and allowed and the Mayor and the City Clerk are hereby empowered and directed to sign warrants drawn on the City Chamberlain for the payment thereof.

By Councilor Jackson; Seconded by Councilor Calnon
Roll call: Councilors Carpenter, Kelly, Rabideau, Calnon, Valentine, Jackson
(All voted in the affirmative)

3. REPORTS OF CITY OFFICES & COMMITTEE REPORTS:

- Report of Fire and Ambulance Responses for the week of September 23- September 29, 2010
- Report from the Building Inspector's Office from September 21 – September 24, 2010
- Report from the Parking Violations Bureau for August 2010

RESOLVED: That the reports as read are hereby ordered, received and placed on file among the public records of the City Clerk's Office.

By Councilor Rabideau; Seconded by Councilor Carpenter
Roll call: Councilors Carpenter, Kelly, Rabideau, Calnon, Valentine, Jackson
(All voted in the affirmative)

4. CORRESPONDENCE & RECOMMENDATIONS FROM BOARDS: None

5. AUDIT OF CLAIMS:

RESOLVED: That the bills approved by the Auditing Committee of the Common Council in the amount of \$ 445,134.90 are authorized and allowed and the Mayor and City Clerk (where required) are hereby authorized and directed to sign warrants drawn on the City Chamberlain for the payment thereof.

By Councilor Jackson; Seconded by Councilor Calnon
Roll call: Councilors Carpenter, Kelly, Rabideau, Calnon, Valentine, Jackson
(All voted in the affirmative)

6. PERSONS ADDRESSING COUNCIL: None

7. OTHER ITEMS:

A. RESOLVED: In accordance with the request therefore the Common Council approves Bill Treacy, Manager MLD to advertise for sealed bid for PMLD BID NO. 2010-9-2 "Wooden Utility Poles." Bid Opening Date: October 25, 2010 at 11:00 am.

By Councilor Jackson; Seconded by Councilor Kelly
Discussion: None
Roll call: Councilors Carpenter, Kelly, Rabideau, Calnon, Valentine, Jackson
(All voted in the affirmative)
ACTION TAKEN: Adopted
Follow up Action: None

B. RESOLVED: In accordance with the request therefore the Common Council approves Bill Treacy, Manager MLD to advertise for sealed bid for PMLD BID NO. 2010-10-1 "Purchase Revenue Electric Meters." Bid Opening Date: October 25, 2010 at 11:00 am.

By Councilor Kelly; Seconded by Councilor Jackson
Discussion: None
Roll call: Councilors Carpenter, Kelly, Rabideau, Calnon, Valentine, Jackson
(All voted in the affirmative)
ACTION TAKEN: Adopted
Follow up Action: None

C. RESOLVED: In accordance with the request therefore the Common Council approves that the Mayor be authorized to sign Supplemental Agreement No. 1, Contract No: D032301, NYSDOT PIN 775314 for the Standard Federal Aid Highway and Marchiselli Aid Local Agreement for the "South Catherine Street Reconstruction" project.

By Councilor Carpenter; Seconded by Councilor Valentine
Discussion: None

Roll call: Councilors Carpenter, Kelly, Rabideau, Calnon, Valentine, Jackson
(All voted in the affirmative)

ACTION TAKEN: Adopted

Follow up Action: None

D. RESOLVED: In accordance with the request therefore the Common Council approves Plattsburgh High School to have its annual Homecoming Parade on Saturday, October 2, 2010 at 1:00 PM. The parade route would start from Stafford Middle School and march up Broad Street to the High School.

By Councilor Rabideau; Seconded by Councilor Carpenter

Discussion: None

Roll call: Councilors Carpenter, Kelly, Rabideau, Calnon, Valentine, Jackson
(All voted in the affirmative)

ACTION TAKEN: Adopted

Follow up Action: None

E. Motion to waive rule 4 for initial consideration “Request from City Engineer to allow contractor to begin work at 5 AM during the week of October 4th – 8th on Margaret Street for milling and resurfacing. The reason for the early start time is to minimize the impact of construction activities on downtown businesses.

By Councilor Rabideau; Seconded by Councilor Jackson

Discussion: None

Roll call: Councilors Carpenter, Kelly, Rabideau, Calnon, Valentine, Jackson
(All voted in the affirmative)

ACTION TAKEN: Adopted

RESOLVED: In accordance with the request therefore the Common Council approves contractor to begin work at 5 AM during the week of October 4th – 8th on Margaret Street for milling and resurfacing. The reason for the early start time is to minimize the impact of construction activities on downtown businesses.

By Councilor Rabideau; Seconded by Councilor Jackson

Discussion:

Councilor Valentine where on Margaret Street is this? And will we be letting the residents know.

City Engineer Kevin Farrington stated it is from Court Street to Brinkerhoff Street and they will be letting the residents know and asked if Ducky will announce on WIRY.

Councilor Rabideau asked if when he notifies the residents can he advise the people of the time period when it starts.

Roll call: Councilors Carpenter, Kelly, Rabideau, Calnon, Valentine, Jackson

(All voted in the affirmative)

ACTION TAKEN: Adopted

8. TRAVEL REQUEST: None

9. RESOLUTIONS FOR INITIAL CONSIDERATION:

1. Request from the Community Development Office that the Mayor be authorized to sign a Grant Disbursement Agreement (Project #W796) with Empire State Development Corporation for a \$2.5 million dollar grant to be used to make repairs and improvements to the former Imperial Wallpaper Plant.
2. Request from Mayor Donald Kasprzak to oppose the Plattsburgh School District proposed 3% Utility Tax on natural gas, electric power, wood, phones, cell phones and any other item.
3. Request from City Engineer to allow contractor to begin work at 5 AM during the week of October 4th – 8th on Margaret Street for milling and resurfacing. The reason for the early start time is to minimize the impact of construction activities on downtown businesses. **(Move to agenda under “Other Items” Letter E)**
4. Request from the City Chamberlain’s office to approve a 2010 Budget Amendment to the General, Recreation, Parking Lot, Water, Sewer, and Library Operating Fund budgets to provide appropriations to fund the October 15, 2010 PETNY Worker’s Compensation settlement.
5. Request from Police Chief Desmond Racicot for two Police Officers to attend the “Technical Crash Management Course” from October 18 – 22, 2010 in Albany, NY. The cost will not exceed \$1,253.00 and will be paid out of the Asset Forfeiture Fund (Treasury funds).
6. Request from Bill Treacy, Manager MLD to attend the “MEUA Engineering Workshop” from November 2 – 4, 2010 in East Syracuse, NY at an estimated cost of \$410.

10. NEW BUSINESS:

Councilor Carpenter asked if the Police Department could include in their Parking Violations report a comparison of the parking tickets issued and money collected between full time parking violations person, no parking violations person and a part time parking violations person. **Mayor Kasprzak** asked **Captain Branch** if he would get the information to Beth and she will forward to the Mayor and Council.

Councilor Valentine wanted to let everyone know she has asked **Captain Branch** to relay a request to do a speed study of Cumberland Avenue.

Councilor Kelly wanted to share with the Mayor and Council that he heard on NPR over the weekend that New York City is considering a smoking ban in public places and it reminded him that they passed that

resolution several months ago. For once they were way ahead of New York City on some progressive legislation. Also, he learned on that radio piece that we usually focus on the litter aspect but the major danger is second hand smoke and there are more toxins in second hand smoke than there is in car exhaust.

Mayor Kasprzak presents his 2011 Budget: By City of Plattsburgh Charter maintains that the Mayor must bring a budget to the public by October 1st of every year and then the Council weighs what changes they want to make and it must be done by the second Thursday of the following January. He has been directly involved in 8 city budgets because he was on the Council for 2 terms back in the early 90's. Every one of them has been difficult. When he was on the Council back in the 90's it was probably the second most challenging economic time in the City's history, this happens to be the most since they have all been around the table, this one was extremely challenging. The last 3 years this Council, our department heads, the cooperating bargaining units have really controlled costs and we've all made decisions that have maximized revenue which is very difficult in challenging times. We have experienced in the City \$78 million dollars worth of development in the last 3 years. He has no idea whether that is a good number or a bad number but what it does show is if you look around and some of the things that they have all supported there have been some very good projects in the City of Plattsburgh. And when projects are finished they are added to the tax rolls which gives us more revenue which helps us with our tax rate. He thinks they have done very well as a group and as a city the last three years. These things have allowed us to move in some positive ways from a negative fund balance in 2006 to a positive one right now due to a lot of hard work. We have implemented a number of changes over the years as a Council to our daily operations. Our department heads have implemented those and that has strengthened our bond rating for example which has been improved, he thinks for the first time in their history, which allows us to do many things; borrow positively, and just make us a stronger city financially. We hope with all the things that they have all worked on they are going to make our future stronger and better with each budget that they do although we do face challenges which he will share in a moment. Our financial strength is such that we have been able to sustain this tax rate of \$10.20 for the last 3 years. The public he thinks understands that they have done a very good job to maintain those levels in the last 3 budgets. We maintained them despite having a \$400,000 increase in our retirement costs. We were able to absorb the first \$200,000 last year and it didn't have any impact on our budget and we kept the same tax rate. This year we are forced to deal with another \$566,000 in retirement increases from Albany. As well as a \$1.1 million dollar balance on the workers compensation trust failure that this Council had to make a decision to pay which really has impacted our bottom line and our fund balance. It says good things that we can do it without really having a direct, difficult and unbelievable tax rate increase. But on the other hand it shows that the hard work we did went out the window when we made the decision to pay that bill and be responsible for actions that we weren't here for but we had to do it. The problem is that it has affected the way we do business unfortunately in this budget. In the budget he is presenting today we have been able to absorb these costs in this year's budget 2011 despite what he has just said we will not have a water increase, sewer increase, garbage increase and we will not have an electric increase. However, the general fund which is where the tax rate is based, basically, where \$356,000 of the retirement increase, and \$710,000 of the workers compensation failure. That is where this money has to come from and we simply aren't able to do it, we can not sustain having the same tax rate. So, we had to pass along approximately \$200,000 worth of that burden to the community and he feels awful that we have to raise taxes at any rate during this time. The tax rate is going to increase from \$10.20 to \$10.40 in his budget which is a 2% increase. The levy is going to increase 4.1. There may be people that are collectively taking a sigh of relief. There are people who say we have lost our jobs, we have lost our benefits and we can't afford anything at all and he understands that, but he really truly feels that we really worked hard with everybody that was

involved in this budget. He wants to be clear in stating that the workers compensation payment and the retirement increase from New York State is directly responsible for most of this increase. We also have a very flat sales tax number at this point which doesn't help us although we have budgeted very conservatively. Of course, our aid to municipality that we receive from New York State was decreased by \$143,000. If you throw all of those factors in he thinks we have done as good a job as we can and the new Council will decide some changes when they do the budget. Frankly, I think you are witnessing and seeing a political rarity because as an elected official we have kept our tax rate very stable and flat at \$10.20 during our off year election years and no matter how minor this is the Mayor is bringing a tax increase in an Election year. It was the responsible thing to do we could not deplete our fund balance anymore. We may experience some savings that may off set this and help us with 2012 with our health insurance drug program. We are going to bid out workers compensation it is a service we have not done we couldn't get them all done in the same year so we have been methodically looking every single service they can bid out and hopefully we can save some money. The drug health care task force has saved this city a tremendous amount of money with the cooperation of the unions, with **City Chamberlain Richard Marks** and **Councilor Calnon** and they have a meeting in November that hopefully will bring some more savings. He didn't put any of those things in there; he just didn't think it was the responsible to do that. The other thing is he thinks we have some property that we may be able to consider selling. The Rescue hose 5 building for example comes to mind. He can envision a restaurant there it has plenty of parking and it would be a unique setting but that is just one and he wouldn't never do anything unless he brought it to the Council that was just one piece he was considering bringing eventually. If we sell those things and have surplus property sales that makes sense, they wouldn't want to sell their assets then those things can be put towards the 2011 budget as well. Because of the continued unaffordable yearly retirement increases, however, we dealt with 40%+ increases 2 years in a row and **City Chamberlain Richard Marks** tells us we are going to have another one next year. He just can not believe that Albany and every municipality in this state allows that to happen. There has to be a change down there too we can't afford to keep absorbing those things 2% and 3% increases its not going to work that way. He has informed the department heads of his 2012 concerns the new Council is going to review this budget. He thinks what is going to happen in 2012 and 2013 is not very good news, he thinks there is only 2 or 3 options. If we don't make some radical changes in the way we do business and we consolidate (which is a scary word to some degree), look at efficiencies that maybe we haven't really found yet. We hate talking about reducing the work force, we hate talking about raising taxes at a higher level than just the ones that we have all shared in the last several years. We can't afford to do that either. The folks that are going to be elected and the folks that are coming back we are going to have some real challenges in 2012 and 2013. He is going to make the suggestion that early on in 2012 we will start talking as a Council to address the issues and we aren't going to wait and this Council never has we have always done a very good job of addressing things all the years. So we have a 2% tax increase and we have 4.1% levy increase, we have a 0 sewer, 0 water, 0 electric and 0 garbage increases. He isn't going to say he is proud of it, he is happy that we have something that is affordable he still thinks we done a very good job all together. He means that with department heads, Council members, the Unions that have helped us the last 3 to 4 years. Unfortunately, there are going to be more challenging by circumstances that we don't control. He thanked **Councilor Calnon** and said without his efforts they wouldn't really have come up with the rates they did and also **City Chamberlain Richard Marks**, **Councilor Jackson**, the department heads came back twice and it has not been fun but he thinks they have a responsible budget for our community. But he will say this when the new elections are finished he would like the new Council to start looking at ways to save money there maybe newer ways to do it or we may have some of those things he mentioned that may be coming forth or before November or before the end of the year we can apply that so we can hopefully do something that may

reduce it, but, right now honestly that is the best they could do. There will be copies at the Library and the City Clerk's office. He wanted everyone to be aware of what they have been doing for the last 3 or 4 months and he thinks we have as fair a budget as we can for the community so that is his report. The **Mayor** also announces there will be a public hearing on the budget October 14, 2010 so the people can come and talk with us as well.

Councilor Calnon we will also put the budget on the website.

Councilor Carpenter said the **Mayor** didn't mention the General Fund balance under the budget where is that going at the end of the year?

Mayor Kasprzak that is one of the figures that changes every day we are hoping we have a roll over and we have been comfortable with some of the projections that **City Chamberlain Richard Marks'** has made for the end of the year.

Councilor Carpenter we had done such a good job with it that we were able to pay off this workers compensation thing that the City got in years ago he was just wondering what is happening to that balance under your budget are you working to build it back up.

Mayor Kasprzak said yes we would all love to build it back up.

Councilor Calnon there is 2 things. Yes, some of it is used to offset the tax rate as they did last year. The good news is that the early projections are that we will use almost none of the amount that we set aside for 2010 so it will be available for 2011. The bottom line is we've made sure that the expected end of 2011 fund balance will still be above 10% of the fund that is really kind of the goal. Looking forward to 2012 anything lower than that would be dangerous.

Mayor Kasprzak as he keeps mentioning this retirement debacle that we are all dealing with because it just doesn't going away they keep raising it and sending \$400,000 increases to the City of Plattsburgh and we have no control over it. No body can sustain paying those without affecting any tax payers in this whole state. So there is some major work that to be done down in Albany and their needs to be some real vocal people discussing it because we can't keep utilizing our fund balance, we can't keep working hard and asking the same people to save money for us and then all of the sudden we get this regular increase, it's crazy. He saw on line that the University of Pennsylvania had almost a double digit increase on their pension fund it's over several billion dollars. There should be enough people that are questioning what is going on with this retirement issue alone and these increase costs there should be a crescendo across New York State just from the Mayor's perspective, counties, towns and villages. There's got to be a change here, but, it does affect all the hard work everybody does to build up our fund balance and then all of the sudden we've got to do this. It's not right and it's not fair.

Councilor Jackson he wanted to mention the difference between the rate and the levy. There is \$184,000 increase in our revenue and that is due basically to the Assessor. He called **Assessor Brian Dowling** and said he didn't think we moved properties in assessed value this year. There is \$184,000 increase that is associated with assessments. He asked **Assessor Brian Dowling** then \$184,000 at \$10 a thousand then we have increased assessed value by \$18 million dollars where did it come from, is it new or reassessment? He

is pleased to say that this is the first year that College Suites is on the books so that is \$12 million of the \$18 million. Part of Kinney's what happen was when it was built part of it was in one year he only assessed it at a certain value the rest of Kinney's is on this year. Walgreen's is on this year. So, that \$18 million increase in assessed value isn't because we revalued all the homes and businesses about 75% to 80% of that \$18 million is due to new development that gets on the tax rolls this year. How he did assessments this year and confirmed with **City Chamberlain Richard Marks** any house over the \$200,000 to \$250,000 threshold actually got a reduction in their assessment this year. Where as the starter homes which is where a lot of the housing sales in the City were and was due mostly because of the \$8,000 home buyer tax credit were the starter houses. So what happened was is a lot of the \$100,000 to \$125,000 houses got raised \$1,000 or \$2,000 but the higher end homes actually did see an assessment reduction. So the 20% of the assessment levy is based on adjustments to existing properties but the lion share of it is based on new development.

Mayor Kasprzak explained to the students in attendance that they all work hard to bring business to wherever you live for a number of reasons. For example: to offer good hamburgers if you want to go to "Five Guys" or if you want to be able to stay at "College Suites." But all that new development adds revenue to a City, Town or Village and so we always like to make sure we are a community that invites development and developers to visit and can hopefully we can offer all the services they need and they deserve. Having those on put on tax rolls at full assessment is important for our bottom line. Every new business that opens up or new business that renovates increases their value that is what is good for the community.

Councilor Carpenter wanted to point out also that when a business comes it increases the amount of money that comes in to our tax base for the City but it almost doubly increases the amount of money that come into the school tax base and it also increases the amount of money that comes in the County tax base. Because everyone in the City that owns property pays all of those 3 entities based upon their property value. So anything that we do to help our selves out also helps out the school district and the county at the same time. He just wanted to make sure everyone understands that.

Councilor Rabideau wanted to point out that when **Councilor Jackson** was talking about assessment's and so forth he had said "we" but the actual assessment is thru the **Assessor's** office and he has the responsibility from the State it is not the Council that assess properties nor can they dictate to his office in any way how he assessed a property as far as the value of the house. It is his duty and responsibility to do the assessment if he doesn't the State will be on the **Assessor's** office back. He thinks it is difficult for homeowners to understand that as **Councilor Jackson** pointed out there are rare times that there are these situations that he talked about but it is his duty, his responsibility and we can not tell him to do or not to do an assessment in anyway by state law, we are not in anyway, we have no power to do that as a Council. He thinks we have mentioned this in the past but he thinks it is good to remind sometimes the people of the City that and also the County and various towns it's the same thing it is no different throughout the State of New York.

11. CLOSING PUBLIC COMMENTS: None

Motion to Adjourn by Councilor Jackson; Seconded by Councilor Valentine
Roll call: Councilors Carpenter, Kelly, Rabideau, Calnon, Valentine, Jackson
(All voted in the affirmative)

MEETING ADJOURNED: 6:03 pm